

## DEPARTMENT OF STATE

WASHINGTON

**SECRET**

61-365

1/16/61

Copies to:

USIB/S

AD/RR

Dear Allen:

Your proposal of December 17 regarding ways to meet State's need for periodic intelligence reports on bloc military assistance to free world countries seems an admirable solution to the problem. Since the operations of the EIC in coordinating intelligence on Sino-Soviet assistance programs have been highly successful, I think it is entirely appropriate to utilize this experience in meeting the new request.

I have shown your suggestion to Ed Gullion, who also considers it a good idea to expand the terms of reference of the EIC Working Group. Accordingly, I would appreciate your bringing the request before the USIB, with the hope that the EIC could begin work on the problem in the near future.

Sincerely yours,

Hugh S. Cumming, Jr.

The Honorable  
Allen W. Dulles,  
Director of Central Intelligence.

**SECRET**

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17 DEC 1960

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pond

Mr. Hugh S. Cumming, Jr.  
Director of Intelligence and Research  
Department of State  
Washington 25, D. C.

Dear Hugh:

This is in response to your inquiry of 5 December 1960 on how we might appropriately respond to Ed Gullion's request to you for periodic intelligence on Bloc shipments of arms and military equipment as well as technical assistance to Free World countries. I referred the problem to Bob Amory who, in turn, took it up with Otto Guthe who has within his Office a small group of analysts who have been working with representatives not only in your organization but also in the other departments and agencies of the intelligence community in responding to requests on this subject.

In talking the matter over with his people, Otto Guthe felt that the most appropriate existing mechanism for obtaining reports reflecting the agreed views of the several parts of the intelligence community would be the KIC Working Group on Sino-Soviet Bloc Economic Activities in Underdeveloped Areas, supported by appropriate representatives from the USIB departments and agencies. He further suggests that the USIB might direct the KIC to expand the terms of reference of the Working Group to include coverage on this subject so that timely and periodic reporting can be provided. This reporting would include, insofar as possible, information on confirmed and reported Bloc shipments, technical assistance, and training in the detail requested by Ed Gullion in the first paragraph of your letter, and also, within the limits of our capabilities, information on the cost or impact of Bloc shipments and technical assistance in the military field to recipient countries; considerations relating to repayment by the recipients; comments on the magnitude of Bloc military assistance in relation to the defense and internal security requirements of the recipient country; and, lastly, the nature of the burden of such assistance on the Bloc countries themselves.

State

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If you concur with this suggestion for obtaining the desired periodic reporting, I shall bring your request to the attention of the members of USIB at an early date with the suggestion that the EIC Working Group, with expanded terms of reference, be directed to undertake this continuing assignment.

Sincerely,

**COPIES**  
**COPIES**

**Allen W. Dulles**  
**Director**

Distribution:

Orig. and 1 - Addressee

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APPROVAL:

Deputy Director/Intelligence

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Approved For Release 2003/01/29 : CIA-RDP80B01676R000800090079-1

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM			
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CENTRAL INTELLIGENCE AGENCY  
OFFICIAL ROUTING SLIP

TO	NAME AND ADDRESS	INITIALS	DATE
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Remarks:

For your information and necessary action.  
The original of this letter will be shown to  
the Director.

*Please take appropriate  
steps to bring before  
JSIB. Check with  
AD/PR.*

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FROM: NAME, ADDRESS AND PHONE NO.

DATE

, Asst. to the DCI

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Remarks:			
<p>2</p> <p>For your comment and preparation of an appropriate reply for the Director's signature. The original of this letter will be shown to both the Director and General Cabell.</p> <p>2 to 3 + 4 - Memo + letter of response are attached.</p> <p>SUSPENSE: 14 December 1960</p>			

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FROM: NAME, ADDRESS AND PHONE NO.	DATE
Asst. to the DCI	12/6/60

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60-94071

DEC 1960

MEMORANDUM FOR: Director of Central Intelligence  
THROUGH: Deputy Director/Intelligence *W. P. A. Jr*  
SUBJECT: Proposed Action in Response to  
Mr. Cumming's Request for Periodic  
Report  
REFERENCE: Mr. Cumming's Letter to DCI of  
5 December 1960

1. This memorandum contains a recommendation for action as set forth in paragraph 5.

2. In the referenced letter, Mr. Cumming notes that the Acting Deputy Director for the US Disarmament Administration would like to have a report issued periodically on confirmed or reported Bloc shipments of arms and military equipment to Free World countries as well as data on technical assistance in the military field. Mr. Cumming felt that such reporting should reflect the coordinated views of the several departments.

3. The EIC, through its Working Group on Sino-Soviet Bloc Economic Activities in Underdeveloped Areas provides the intelligence community and many other parts of the Government, both here and

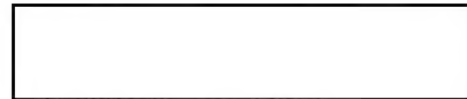
abroad, with biweekly and semi-annual reports. These reports presently underplay arms and equipment shipments and technical assistance in the military field since, strictly speaking, reporting on such Bloc activities does not clearly fall within the terms of reference of the Working Group.

4. I am confident that the EIC, through this Working Group, could bring together those individuals within the several parts of the intelligence community who are most knowledgeable on this subject so that all pertinent information available from all sources would be utilized in fulfilling Mr. Cumming's request and in providing other appropriate offices of the Government with agreed intelligence on this important subject.

5. My recommendation is twofold: (a) that you sign the enclosed letter to Mr. Cumming; and (b) that, with Mr. Cumming's concurrence, you bring his request to the attention of USIB with the suggestion that the Board direct the EIC to expand the terms of reference of its Working Group on Sino-Soviet Bloc Economic Activities in Underdeveloped Areas to include timely and periodic reporting on Bloc shipments to Free World countries of arms and military equipment as well as on the Bloc's provision of technical assistance and training in the military field -- at the



same time reminding each member of the Board that full cooperation is essential so that all facts can be brought to bear on the subject.



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OTTO E. GUTHE  
Assistant Director  
Research and Reports

MEMORANDUM FOR:  *CR*

A copy of this letter has already been sent to Bob Amory for comment and preparation of an appropriate reply for the Director's signature. The Director has seen this letter.

*\* W*

8 Dec. 60  
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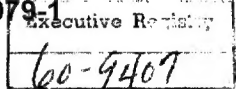
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*David -*

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dtd 12/17/60*

DEPARTMENT OF STATE  
THE DIRECTOR OF INTELLIGENCE AND RESEARCH  
WASHINGTON



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Dear Allen:

Ed Gullion, who as you know has recently become Acting Deputy Director of the United States Disarmament Administration, has asked us to provide a compilation of available information on military assistance programs conducted by the Sino-Soviet bloc in free-world countries. He suggests the preparation of a report, possibly in the form of a chart, which would show all confirmed or reported bloc shipments of arms and equipment to free-world countries as well as confirmed or reported data on technical assistance and training in the military field. Such a report should indicate the recipient country, the type and quantity of equipment shipped or agreed to be shipped to date, the type and magnitude of other assistance given or agreed to be given to date, and the source and reliability of information about the activity cited. A periodic updating of the report is envisaged.

It seems to me that such a report should reflect the coordinated estimates of several departments. I therefore turn to you to inquire how we might best approach its preparation within the intelligence community. The report would necessarily have to include data of all classifications. At the same time, it would no doubt be desirable to limit specially classified data to annexes in order to ensure the broader utility of the general report.

My impression is that much of the information required by Mr. Gullion is already in existence in forms which might be acceptable for his purposes. I refer particularly to current studies on bloc arms shipments to Cuba and to the Middle East. I wonder if similar reports might not also exist which cover shipments and training commitments in those other areas in which we know the bloc has been involved, e.g., Southeast Asia, Africa.

I would

The Honorable  
Allen W. Dulles,  
Director of Central Intelligence.

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I would appreciate any suggestions you might make as to how we can satisfy Mr. Gullion's needs.

Sincerely yours,



Hugh S. Cumming, Jr.

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